

Item # _____ Prepared by: Gaye Davis/Lee Hinson

Commissioner: _____ Approved by: _____

RESOLUTION APPROVING AN AMENDMENT TO THE LEASE AGREEMENT WITH PETTY REAL ESTATE, INC., AS APPROVED BY THE BOARD OF COMMISSIONERS OF THE MEMPHIS AND SHELBY COUNTY PORT COMMISSION ON JANUARY 22, 2009. SPONSORED BY COMMISSIONER WYATT BUNKER.

WHEREAS, Petty Real Estate, Inc. is the Lessee, through assignment, of certain real property located in the Memphis and Shelby County Port Commission's Industrial Subdivision and more fully described in that certain lease agreement between the Memphis and Shelby County Port Commission and River Development Corporation, d/b/a Mid-South Transload Company, a copy of which is attached hereto as Exhibit "A". By subsequent assignment, River Development Corporation, d/b/a Mid-South Transload Company, has assigned its interest as lessee to Petty Real Estate, Inc.; and

WHEREAS, It appears beneficial that such lease be amended so as to provide additional possible lease term period for Petty Real Estate, Inc.; and

WHEREAS, Petty Real Estate, Inc. has requested that the lease be amended so as to provide that such lease may be renewed for nine (9) additional five (5) year terms, a copy of which is attached hereto as Exhibit "B".

WHEREAS, Said proposed lease amendment is in the best interests of the Memphis and Shelby County Port Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, on recommendation of the Memphis and Shelby County Port Commission, that the proposed lease amendment with Petty Real Estate, Inc. be and hereby is approved.

BE IT FURTHER RESOLVED, That the Mayor of Shelby County is hereby authorized to execute same.

BE IT FURTHER RESOLVED, That this action is subject to concurrence by City of Memphis.

A C Wharton, Jr.
County Mayor

Date _____

Attest:

Clerk of County Commission

ADOPTED _____

SUMMARY SHEET

I. **Description of Item** : Resolution approving an amendment to the lease agreement with Petty Real Estate, as approved by the Board of Commissioners of the Memphis and Shelby County Port Commission on January 22, 2009.

II. **Source and Amount of Funding**

This is an amendment to a lease agreement. There is no funding within the agreement. The Lessee pays rental to the Port Commission, Lessor.

III. **Contract Items**

A. Type of Contract: 1st Amendment to a Lease Agreement

B. Terms: Original lease agreement began May 19, 1992 and the term was for a period of 14 years, ending December 31, 2005, with the option to renew for four (4) additional, successive five (5) year terms. This amendment will change the original term to have the option to renew for nine (9) additional, successive five (5) year terms instead of only four (4) additional, successive five (5) year terms.

IV. **Additional Information Relevant to approval of this item**

Petty Real Estate, Inc. is a sister Company to Mid-South Milling Company. Mid-South Milling Company currently has a long term lease agreement with the Memphis and Shelby County Port Commission, at the Public Terminal on Presidents Island. The adjacent property to Mid-South Milling Company became available in 2004. Petty Real Estate, Inc. was Assigned and Assumed the lease of the previous lessor, River Development on December 10, 2004. This amendment, to the assigned lease to Petty Real Estate, Inc. will increase the # of terms of renewal from that of four (4) to nine (9). The adjustment in term will allow both agreements to have the same expiration date.